

Policy for Determining Material Subsidiary

1. Purpose of this Policy:

The Board of Directors of **CIEL HR Services Limited** (“the company”) has adopted this Policy for determining ‘material’ subsidiary companies which has been framed in accordance with the provisions of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The Policy will be used to determine the Material Subsidiaries of the Company and to provide the governance framework for such subsidiaries.

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the Listing Regulations and in the absence of its definition or explanation therein, as per the Companies Act, 2013 and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

2. Criteria:

A subsidiary shall be considered material if, its income or net worth exceeds **ten (10)** per cent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

3. Disclosures:

The Company shall disclose in its Board’s report, details of this Policy as required under the Act and the Listing Regulations. This Policy shall be disclosed on the Company’s website and a web link thereto shall be provided in the annual report.

Further, details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries shall also be disclosed in the annual report.

4. Limitation, Review and Amendment:

In the event of any conflict between the provisions of this Policy and of the Listing Regulations or any other applicable legal requirement (“Applicable Law”), the provisions of Applicable Law shall prevail over this Policy. Any subsequent amendment / modification to the Applicable Law shall automatically apply to this Policy.

The Board may review and amend this Policy from time to time, as may be deemed necessary.
